

EXHIBIT 1

INTRODUCTION

Respondent Paul Treadway was elected as a member of the Governing Board of the Chaffey Community College District in San Bernardino County in the November 2, 1999 general election. Respondent Committee to Elect Paul A. Treadway (“CEPAT”) was the controlled committee of Respondent Treadway. Respondent CEPAT was formed in August 1999 to support Respondent Treadway’s candidacy for the college board.

Respondents filed a statement of organization and two pre-election campaign statements prior to the November 2, 1999 election. Thereafter, despite repeated notices from the County Registrar of Voters and Commission staff, Respondents failed to timely file subsequent campaign statements, or terminate their committee, until June 25, 2001.

For the purposes of this stipulation, Respondents’ violation of the Political Reform Act (the “Act”)¹ is stated as follows:

Respondents failed to file a semi-annual campaign statement, for the reporting period October 22, 1999 through December 31, 1999, by the January 31, 2000 due date, in violation of Section 84200, subdivision (a).

RESPONDENTS: Paul Treadway and the Committee to Elect Paul A. Treadway

SUMMARY OF THE LAW

Section 81002 provides that receipts and expenditures in election campaigns should be fully and truthfully disclosed in order that voters may be fully informed and improper practices may be inhibited. The Act established a campaign reporting system to accomplish this purpose.

Section 82013, subdivision (a) defines a “committee” as any person or combination of persons who directly or indirectly receives contributions totaling \$1,000 or more in a calendar year. Pursuant to Section 84200, subdivision (a), a committee, which has qualified as a committee under Section 82013, subdivision (a), shall file semi-annual campaign statements each year no later than July 31 for the six month reporting period ending June 30, and no later than January 31 for the six month reporting period ending December 31.

SUMMARY OF THE FACTS

Respondent Paul Treadway was a successful candidate for the Governing Board of the Chaffey Community College District located in San Bernardino County, in the November 2, 1999

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All references to “Section(s)” are to the aforementioned Government Code unless otherwise indicated. Commission regulations appear at Title 2, California Code of Regulations, section 18109, *et seq.* All references to “Regulation(s)” are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

election. Respondent Committee to Elect Paul A. Treadway (“CEPAT”) was the controlled committee of Respondent Treadway. Respondent CEPAT was formed in August 1999, and filed two pre-election campaign statements.

On the first pre-election campaign statement, for the reporting period January 1, 1999 through September 18, 1999, Respondents reported that they received contributions totaling \$5,000 (a single loan from Respondent Treadway) and made expenditures totaling \$2,665. On the second pre-election campaign statement, for the reporting period September 19, 1999 through October 21, 1999, Respondents reported that they received a \$2,500 contribution from the California Teacher’s Association and made no expenditures. The remaining cash balance, according to this campaign statement, was \$4,835.

On December 28, 1999, the San Bernardino County Registrar of Voters sent Respondents a letter advising them that the semi-annual campaign statement for the reporting period ending December 31, 1999 was due on January 31, 2000. On February 9, 2000 and March 2, 2000, the Registrar sent two additional letters to Respondents, reminding them of their filing obligation. On April 3, 2000, the Registrar referred the non-filing of the campaign statement to the Enforcement Division of the Fair Political Practices Commission for corrective action.

Between May 2000 and May 2001, the Enforcement Division contacted Respondents several times regarding the non-filing of the campaign statement. Respondent Paul Treadway resigned his position on the community college board, shortly after he was elected, due to conflicts with his retirement salary.

On May 31, 2001, Respondent Treadway requested additional time until June 25, 2001, to prepare and file the delinquent statement. On June 21, 2001, Respondent Treadway filed the campaign statement with the San Bernardino County Registrar of Voters. The Registrar did not impose a late filing penalty on Respondents, due to Respondent Treadway’s reported health problems. Respondents also filed a statement of termination for Respondent CEPAT, thereby ending any further filing responsibilities.

CONCLUSION

There was no evidence that Respondents intended to hide information about their campaign finances from the public. However, Respondents were clearly negligent in failing to file a required campaign statement for a 1 ½ year period.

This matter consists of one count which carries a maximum possible administrative penalty of Two Thousand Dollars (\$2,000.00). The facts of the case, including the small amount of financial activity not timely disclosed, and the lack of substantial public harm caused by that untimely disclosure, justify the imposition of the agreed upon penalty of One Thousand Dollars (\$1,000.00).